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Congress of the United States
House of Representatives

SELECT COMMITTEE ON THE CHINESE COMMUNIST PARTY
548 Cannon House Office Building
Washington, D.C. 20515
(202) 225-6002

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January 3rd, 2024

The Honorable Gina Raimondo
Secretary
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, D.C. 20520

Dear Secretary Raimondo,

We are writing to request that the U.S. Department of Commerce (Commerce) investigate possible export control risks for Group 42 Holdings (G42), an Emirati artificial intelligence company that works extensively with the People's Republic of China (PRC)'s military, intelligence services, and state-owned entities. G42 is a multibillion-dollar AI company chaired by Sheikh Tahnoon bin Zayed, the UAE's National Security Advisor, and CEO Peng Xiao. G42's key investors are the Abu Dhabi sovereign wealth fund Mubadala along with U.S. private equity firm Silver Lake.

According to documents reviewed by the Committee, G42's CEO Peng Xiao operates and is affiliated with an expansive network of UAE and PRC-based companies that develop dual-use technologies and materially support PRC military-civil fusion and human rights abuses. For example, Xiao served in leadership positions with Pegasus, which is a subsidiary of an Emirati company called DarkMatter. DarkMatter is a corporate affiliate of G42 that develops spyware and surveillance tools that can be used to spy on dissidents, journalists, politicians, and U.S. companies. According to the Wire China, Pegasus opened a subsidiary in China called Pegasus Technology Beijing, where Xiao serves as the executive director. Many of the tools developed by Pegasus and DarkMatter are subject to export controls. The U.S. Department of State (State) has even fined former American employees of DarkMatter for violations of the Arms Export Control Act. While State has taken action against DarkMatter, Commerce's Bureau of Industry and Security (BIS) has failed to place any restrictions on DarkMatter, G42, or their affiliated companies.

Multiple U.S. companies that develop and sell export-controlled technology and products maintain extensive commercial relationships with G42 and its subsidiaries, to include Microsoft, Dell, and OpenAI.¹ Without restrictions on G42, the hardware and software developed by these U.S. companies are at significant risk for diversion to G42's PRC-based affiliates, many of which support the CCP's surveillance state and human rights abuses.

G42 maintains active relationships with blacklisted entities including Huawei and Beijing Genomics Institute (BGI).² BIS has already targeted G42's partners and commercial customers, to include BGI. In March 2023, BIS placed BGI subsidiaries on the Entity List because the data and genomic information these companies specialize in "poses a significant risk of contributing to monitoring and surveillance by the government of China."³ Without new restrictions against G42, the company's extensive AI capabilities will provide much-needed analytical capacity for BGI to exploit the data it has collected from American citizens, to include millions of pregnant women.⁴ Relatedly, export controls against Huawei will be further undermined if Huawei can access and/or acquire advanced AI hardware and cloud computing services through its partners like G42.

The G42 network also present risks to critical technology and export-controlled research at U.S. universities. For example, in June 2023 G42 signed a research partnership agreement with the U.S.-based entity Petuum, which is an AI laboratory created by the Carnegie Mellon University. Chinese company Tencent was also a leading original investor in Petuum. Tencent and Huawei jointly operate multiple PRC-based AI and cloud computing laboratories. Petuum's founder, Eric Xing, and G42's CEO Peng Xiao also maintain executive leadership positions together at the UAE's Mohamed bin Zayed University of Artificial Intelligence (MBZUAI). MBZUAI maintains extensive relationships with PRC universities subject to U.S. export controls on PRC military end-users. In an op-ed in PRC state-owned media, the chairman of MBZUAI stated "we all have much to gain from international cooperation and knowledge sharing on AI. That's why I hope that MBZUAI becomes yet another successful example of our two great countries [UAE and PRC] working together." Given the extensive corporate connections and public pronouncements calling for greater cooperation between MBZUAI and the PRC, we urge BIS to investigate whether G42 and Xiao are using their official partnerships and personal connections with Carnegie Mellon University, Petuum, and MBZUAI to facilitate illicit technology transfer.

¹ Mark Mazzetti & Edward Wong, *Inside U.S. Efforts to Untangle an A.I. Giant's Ties to China*, N.Y. TIMES (Nov. 27, 2023) available at www.nytimes.com/2023/11/27/us/politics/ai-us-uae-china-security-g42.html.

² Jon Gambrell & Michelle L. Price, *US warned Nevada not to use Chinese COVID tests from UAE*, AP NEWS (Oct. 15, 2020) available at www.apnews.com/article/virus-outbreak-technology-dubai-nevada-united-arab-emirates-0755b0ed4a9a750bcac432300ca69275.

³ Philip Wang & Kathleen Magramo, *US adds Chinese genetics firms to trade blacklist over surveillance allegations*, CNN (Mar. 2, 2023) available at www.cnn.com/2023/03/02/business/us-blacklist-bgi-chinese-genetics-surveillance-companies-intl-hnk/index.html.

⁴ Kirsty Needham & Clare Baldwin, *China's gene giant harvests data from millions of women*, REUTERS (July 7, 2021) available at www.reuters.com/investigates/special-report/health-china-bgi-dna/.

The Committee furthermore urges BIS to investigate threats to U.S. export control research being facilitated by Dr. Song-Chun Zhu, who was the former director of an AI center at the University of California Los Angeles (UCLA) and now serves as one DarkMatter's lead AI research collaborators. As documented in a recent investigation into Zhu,⁵ Zhu worked on Department of Defense-funded dual-use research at UCLA while simultaneously participating in the Chinese Communist Party's Thousand Talent plan, which requires its participants to acquire research and technology on behalf of the PRC government. After leaving UCLA in 2020, Zhu created a new laboratory with the PRC Ministry of Science and Technology called the Beijing Institute for General Artificial Intelligence (BIGAI). Zhu's return to China and subsequent establishment of BIGAI was labeled by Georgetown University's Center for Security and Emerging Technology as "problematic for U.S. national security" and a "long-term research integrity problem."⁶ The same report states that BIGAI "recruited" over 30 foreign-trained scientists and "many of them were members of Zhu's American-trained UCLA team, while those still at UCLA continue to coauthor with staff at BIGAI." Documents reviewed by the Committee also identify that Zhu and Eric Xing have a decades long relationship and have lectured at conferences together and Zhu has extensive ties with G42 through joint research projects with its subsidiary Inception Institute of Artificial Intelligence. Ensuring that no further dual-use research or controlled technology is routed to G42 via BIGAI requires BIS action to investigate DarkMatter and other G42 affiliates in the PRC.

Therefore, I respectfully request Commerce closely examine whether G42 and the following subsidiaries and affiliates warrant inclusion on the BIS Entity List:

- G42 Shanghai Investment Co. Ltd.
- Inception Institute of Artificial Intelligence
- Presight AI
- Hayat BioTech
- Pegasus Technology (Beijing) Co. Ltd.
- Beijing Qingzi Future Network Technology Co. Ltd.
- Guangzhou Heygears Technology Co. Ltd.
- Beijing Yeecall Interactive Network Technology Co. Ltd.
- Dark Matter AI Technology (Guangzhou) Co., Ltd. (AKA "DarkMatter AI")
- Dark Matter (Hong Kong) Intelligent Technology Co. Ltd.
- Dark Matter (Beijing) Intelligent Technology Co. Ltd
- Dark Matter (Shenzhen) Intelligent Technology Co. Ltd
- Dark Matter (Chengdu) Intelligent Technology Co. Ltd

⁵ Didi Kirsten Tatlow, *Exclusive: U.S. Gave \$30 Million to Top Chinese Scientist Leading China's AI 'Race,'* NEWSWEEK (Nov. 1, 2023) available at www.newsweek.com/us-gave-30-million-top-chinese-scientist-leading-chinas-ai-race-1837772.

⁶ Huey-Meei Chang & William C. Hannas, *Spotlight on Beijing Institute for General Artificial Intelligence, China's State-Backed Program for General Purpose AI*, CENTER FOR SECURITY AND EMERGING TECHNOLOGY (May 2023) available at www.cset.georgetown.edu/wp-content/uploads/CSET-Spotlight-on-Beijing-Institute-for-General-Artificial-Intelligence-1.pdf.

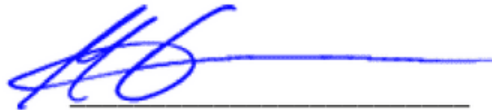
If you find that G42 or one of the above-mentioned subsidiaries or affiliates does not warrant inclusion on the BIS Entity List, please provide a detailed explanation as to why as soon as possible but no later than February 2nd, 2024.

The House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party has broad authority to “investigate and submit policy recommendations on the status of the Chinese Communist Party’s economic, technological, and security progress and its competition with the United States” under H. Res. 11.

To make arrangements to deliver a response or ask any related follow-up questions, please contact Select Committee staff at (202) 226-9678.

Thank you for your attention to this important matter and prompt reply.

Sincerely,

A handwritten signature in blue ink, appearing to read 'AG', followed by a horizontal line.

Mike Gallagher
Chairman
Select Committee on the CCP